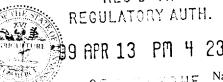
TENNESSEE REGULATORY AUTHORITY

Melvin Malone, Chairman Lynn Greer, Director Sara Kyle, Director



460 James Robertson Parkway Nashville, Tennessee 37243-0505

EXECUTIVE SECRETARY

MEMORANDUM

TO:

Chairman Melvin Malone

Director Lynn Greer Director Sara Kyle

FROM:

Eddie Roberson

Chief, Consumer Services Division

Gary Hotvedt

Counsel

DATE:

April 13, 1999

SUBJECT: Staff settlement with P.V. Tel

99-00247

On February 1, 1999, the Consumer Services Division ("Staff") received a complaint from Duck River Electric Membership Cooperative ("Duck River") alleging that P.V. Tel had switched its long distance service without permission.

The Staff initiated an investigation and has been working with P.V. Tel on a settlement of the complaint. P.V. Tel has been very cooperative in our investigation and no new slamming complaints have been filed with the Authority since March that would indicate that P.V. Tel has violated the Authority's rules and regulations. Attached is a copy of the settlement reached by the parties. As you can see, the settlement requires P.V. Tel to pay the Authority \$5,000 in two (2) installments and notify its customers, by mail, that if they have any complaints with their service to contact the Authority.

The parties ask that you please consider this settlement at the April 20, 1999 conference.

c: David Waddell, Executive Secretary Henry Walker, Counsel for P.V. Tell

Settlement Agreement

The purpose of this document is to memorialize a settlement agreement between P. V. Tel of Tennessee, LLC ("P.V.Tel") and the Consumer Services Division of the Tennessee Regulatory Authority ("Staff").

The Staff received a written complaint from a customer of P.V.Tel which alleged that the customer's long distance telephone service was transferred to P.V.Tel without the customer's knowledge or consent. Based on that complaint, the Staff opened an investigation of P.V.Tel.

In response to that investigation, P.V.Tel asserted that the customer had authorized an agent of P.V.Tel to transfer the customer's service to a carrier selected by the agent. Although certain facts are in dispute, P.V.Tel has subsequently transferred the customer's service to a carrier of the customer's choice at no cost to the customer. The customer has informed the Staff that the customer is satisfied with this result.

So as to expeditiously resolve this complaint, P.V.Tel and the Staff have agreed to the following settlement:

- a. P.V.Tel will send written notice (see attached Exhibit 1) to each of its customers in Tennessee, informing each customer that P.V.Tel is his/her long distance service provider, and that the customer may select another provider at any time. This notice shall further inform the customer that any complaints about such telephone service may be reported to the Consumer Services Division of the Tennessee Regulatory Authority.
- b. P.V.Tel will timely provide to the Staff copies of any written complaints that it has received within thirty (30) days after the above described notice is mailed.

of six months from the date this settlement agreement is approved by the Tennessee Regulatory Authority ("TRA"), provided that the Staff has no probable cause to believe that

c. The Staff will dismiss this complaint and close this investigation at the conclusion

any similar incidents have occurred during the preceding twelve (12) months, and provided

further that all money due pursuant to this agreement has been timely paid.

d. For settlement purposes only, P.V.Tel will pay \$5,000 to the public utility account

of the TRA. Of that amount, \$3,000 shall be due and payable on the date this settlement

agreement is approved by the TRA, and the balance of \$2,000 shall be due and payable six

months from such date.

Agreed to on April 13, 1999 by:

P.V. Tel of Tennessee, LLC

Consumer Services Division of the TRA

Thank you for choosing P.V. Tel of Tennessee as your long distance telephone carrier.

We have received your Letter of Authorization authorizing P.V. Tel to be your long distance carrier. The transfer of your service may have been arranged by ComTelco, acting as agent for P.V. Tel. Both ComTelco and P.V. Tel are committed to providing you the highest level of customer service.

If, for any reason, you are not satisfied with the service you have received please notify us at (800)536-1910, ext. 25 and any necessary changes will be made at no charge to you. If you have a complaint about any telecommunications related service, you may also notify the Tennessee Regulatory Authority at (800)342-8359, ext 160.

Thank you again for giving P.V. Tel the opportunity to serve you. We look forward to providing you the best telephone service available.